

# MARKETING, EDUCATION & OUTREACH WORKSHOP

November 29, 2016



# Morning Agenda

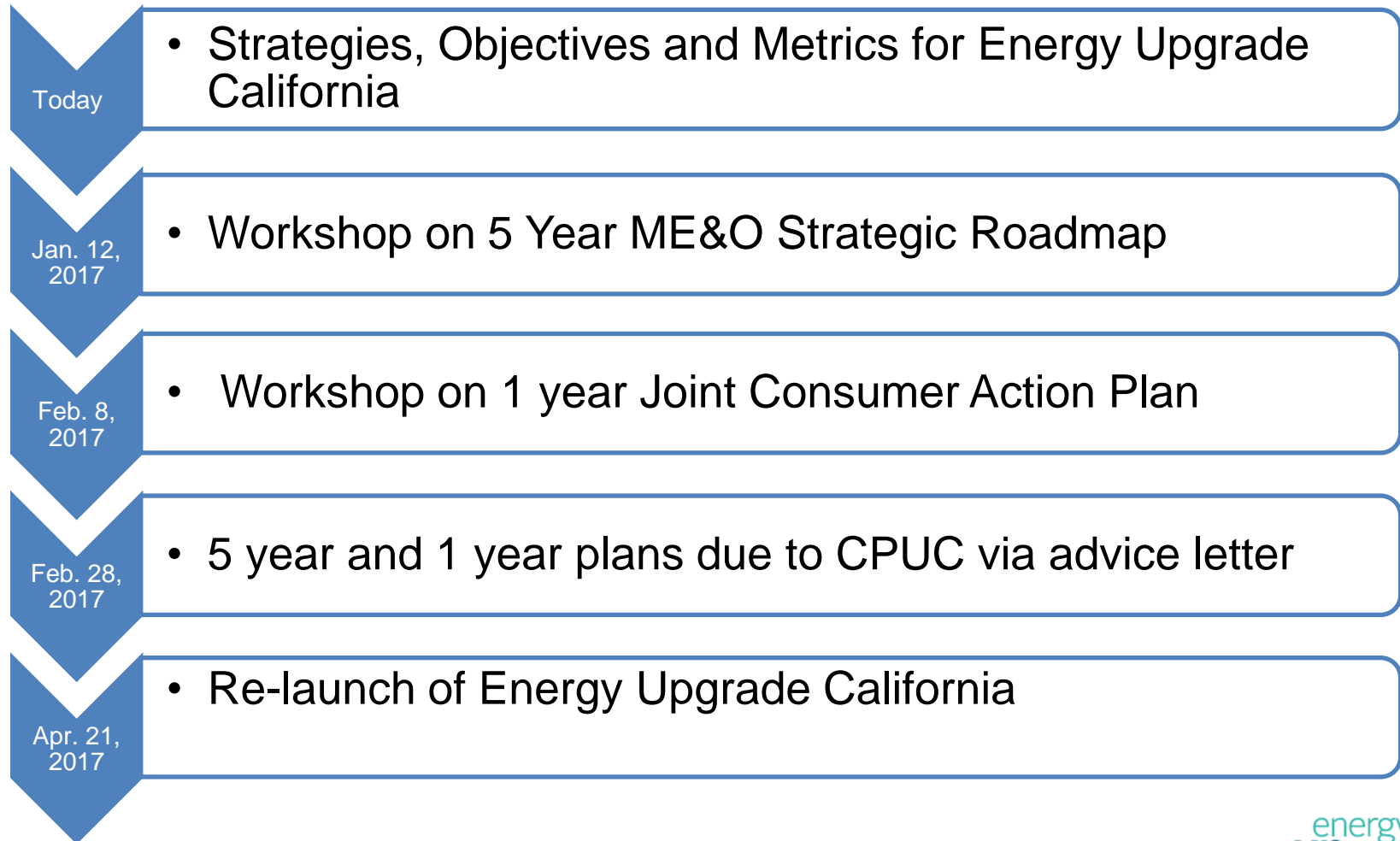
## **9.30-11.00**

- Introduction by Energy Division, ALJ Roscow – 15 min
- History of ME&O to date – 10 min
- Introduction to DDB Group – 15 min
- Creative Presentation – 30 min
- Comments and Discussion – 20 min

## **11.15-12:45 : Collaboration and Integration**

- Review Vision, Goals & Objectives – 15 min
- High-Priority Products and Services – 15 min
- Opinion Dynamics – Evaluation results on coordination, collaboration, and documentation – 15 min
- Integrating SWME&O with IOU and REN marketing – What will it look like? – 40 min

# Workshop Schedule and Timeline



# History of Statewide ME&O

- 2000 – 2001: California's new policy of energy deregulation goes awry
- Rolling blackouts, energy price spikes, energy market manipulation



# History of Statewide ME&O

## 1. Flex Your Power

- Flex Your Power designed in response to energy crisis
- Largest energy conservation campaign in the US to date
- \$50 million/year program
- Goals included making EE a part of life, cutting peak energy use, preventing blackouts
- Peak energy use cut by 14% in first year of program
- Ran from 2000 – 2006
- Same agency now runs “Flex Alerts”, which are called on days of high energy usage



# History of Statewide ME&O

## 2. Engage 360

- 2008 Energy Efficiency Strategic Plan included a statewide marketing platform.
- Southern California Edison became the implementer.
- Campaign very reliant on digital strategies
- In 2011, CPUC determined that program was not a good use of ratepayer funds. Cmr. Ferron discontinued it in 2011, asked parties if statewide marketing should be continued, and under what brand.
- Consensus that it should, and that it should adopt “Energy Upgrade California” as the brand



# History of Statewide ME&O

## 3. Energy Upgrade California

- Originally an ARRA-funded program to incentivize whole home retrofits.
- In 2012, CPUC ordered EUC as the new Statewide “umbrella” brand for all demand side programs.
- Named Center for Sustainable Energy as implementer.
- Maintained same budget as Engage 360 (\$23 million/year)



# History of Statewide ME&O

## Key CPUC Decisions

- D.12-05-015: Names CSE as implementer, and EUC as the umbrella brand (May 2012)
- D.13-12-038: Adopts CSE's marketing plan and governance structure (Dec. 2012)
- D.15-08-033: Extends CSE's contract by one year to end of 2016 (Aug. 2015)
- D.16-03-029: Orders an open RFP for ME&O after 2016 (Mar. 2016)
- D.16-09-020: Approves RFP process, establishes timeline to submit 5 year and 1 year plans (Sep. 2016)





# Introduction to DDB Group and Creative Pres.

## DDB<sup>o</sup> Group

ALMA

DDB<sup>o</sup>

DDC

FLEISHMANHILLARD

OMD

targetbase<sup>®</sup>

tribal  
worldwide

# 15 minute break



# SB 350 – Clean Energy and Pollution Reduction Act



**Requires that California “...double the energy efficiency savings in electricity and natural gas final end uses of retail customers through energy efficiency and conservation.”**

# Energy Upgrade California Vision

“All Californians will be engaged as partners in the state’s energy efficiency, demand-side management and clean energy efforts by becoming fully informed of the importance of energy efficiency and other demand side efforts, and their opportunities to act. Statewide ME&O should serve as a lead generator for local and regional programs and drive consumers to directly take actions to reduce or manage energy use in other ways.”



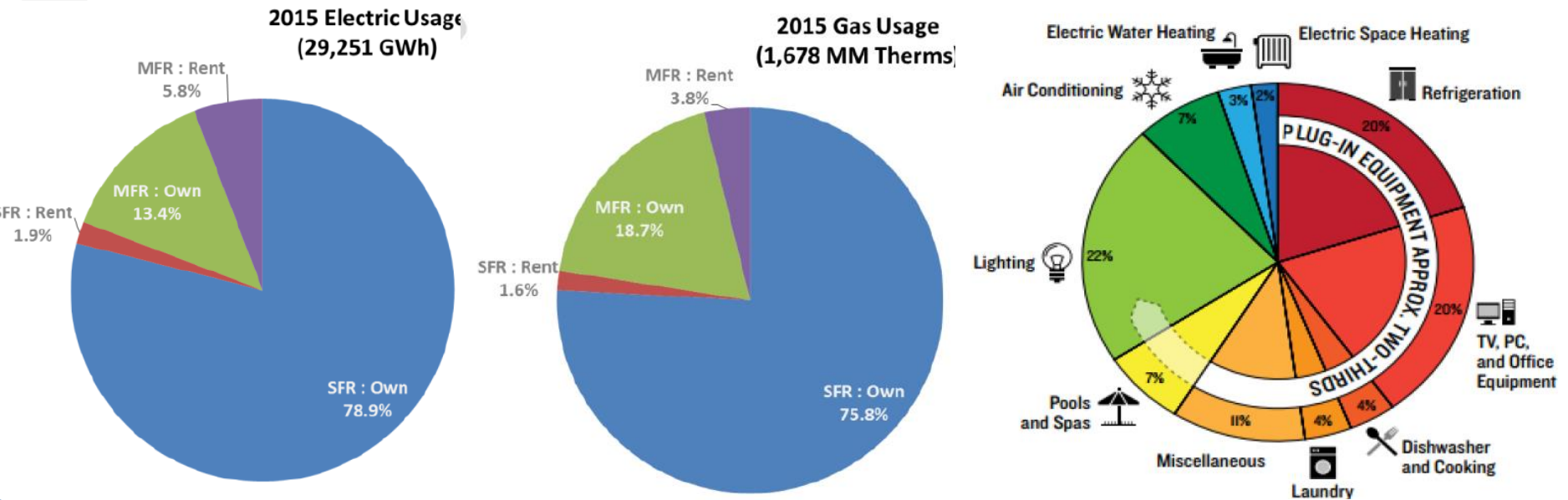
CPUC Decision 16-03-029, March 2016

# Energy Upgrade California Vision

- All ratepayer-funded, demand side marketing should be viewed as one integrated program.
- EUC should shift emphasis “from awareness to action.”
- All parties should play a role in communicating that shift.



# Residential sector profile – PG&E



Charts from PG&E's draft Business Plan



# 2015 ME&O Budgets – All Customer Programs

	PG&E	SCE	SCG	SDG&E	So Cal REN	Bay REN
Energy Efficiency	35,060,854	14,157,689	2,347,874	5,394,579	4,631,030	2,607,000
Other	37,379,182	20,365,078	?	16,228,106	?	
Total	72,440,036	34,522,767	2,347,874	21,622,685	4,631,030	2,607,000

Grand Total: \$138,171,392

# Energy Upgrade California Goals

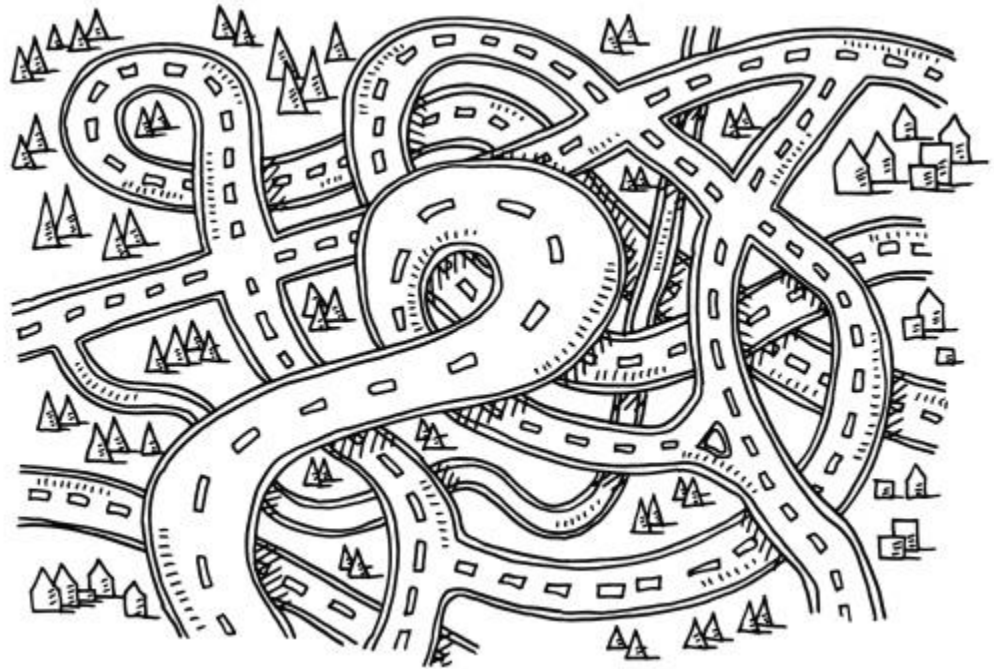
Short Term	Long Term
Energy Upgrade California is an <b>integrated</b> , umbrella statewide ME&O effort that provides California residents and small business owners with information about energy concepts, programs, services, rates, and <b>benefits of taking action</b> so that all Californians are <b>empowered</b> to 1) understand their energy use, the opportunities available for them to act, and the benefits of their action, and 2) <b>take well-informed action</b> to better manage their energy use.	Statewide ME&O will <b>lead consumers</b> to products, services, and rates that empower all Californians <b>to take actions</b> that will lead to lower bills, higher energy efficiency, and the adoption of demand-side solutions including customer-owned renewable energy technologies.



# The 5 Year Plan

*From D.16-03-029*

- All stakeholders in this proceeding should collaborate to develop a 5-year “ME&O Strategic Roadmap.”
- Should consider what contribution ME&O will play in complying with SB 350 (which requires doubling building efficiency by 2030, and a GHG reduction of 40%).

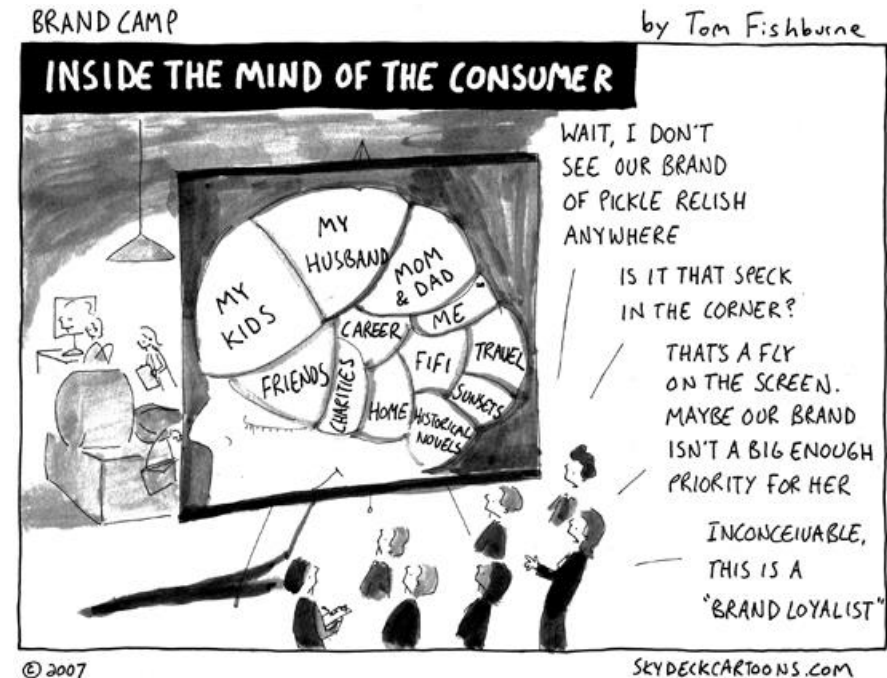


# The 1 Year Plans

From D.16-03-029

## Annual Joint Consumer Action Plans

- CPUC Staff develop preliminary proposal to prioritize program areas on an annual basis
- Then goes to stakeholders for comments and suggestions
- ME&O administrator revises and finalizes plan, files as T1 advice letter
- High priority topics will include goals and objectives, target audiences, high level approaches and strategies, metrics and implementation roles and responsibilities
- Where appropriate, the Plan will include strategies for co-branding of EUC with the IOUs, RENs, and CCAs.



# Products and Services

## Energy Management Technologies

- Mandated by AB793
- Smart meter enabled feedback of energy use and costs
- Range in price from free apps to \$700 thermostats
- Smart thermostats have potential to save 10 – 15%
- Can be effective tool to reduce plugloads
- Staff recommendation: High priority



# Products and Services

## Time of Use Rates

- Key piece of Residential Rate Reform, which also includes reducing number of rates
- Will likely have bill impacts on lower energy users
- Default Time of Use pilots will begin in 2018
- Rates should encourage conservation and efficiency
- Staff recommendation: High priority



# Products and Services

## Critical Peak Pricing/Smart Rate

- Available for residential and commercial customers
- Voluntary program – customers get a slight reduction in their daily rate, charged a premium for energy use during peak times in the summer
- Limited to 15 days/year
- Staff recommendation: High priority





# Products and Services

## Electric Vehicles

- Goal: 1.5 Million Zero Emission Vehicles on the Road in CA by 2025.
- Utilities have special rates for home vehicle charging
- High priority program for state
- Considerations: IOU and Vehicle marketing
- Staff recommendation: High priority, but better to take an educational approach than trying to sell cars



# Products and Services

## Climate Credit

- Semi-annual credit on the bills of all IOU ratepayers, in April and October
- Ranges from \$20 to \$50.
- Utilities required to use neutral language in marketing; can't be used for green marketing
- Previous marketing was "30 items under \$30."
- Staff recommendation: High priority in spring and fall



★

THE CALIFORNIA CLIMATE CREDIT  
LOWERED MY BILL AND PUT MONEY  
IN MY POCKET TO STAY GOLDEN.

- BEAR

Look for your  
**climate credit**  
April/May Utility Bill

Invest your Climate Credit on energy  
efficient products that save you  
money and help the environment.  
Consider these EnergyStar products:



Smart Power Strip | LED Bulb | Low-flow Head

**EnergyUpgradeCA.org**  
**#StayGoldencA**

# Products and Services

## Lighting

- LEDs save 50% energy over incandescents
- Should prioritize promotion of high-quality LEDs
- Should have standard higher than Energy Star
- Market penetration of LEDs is about 20%, while rebates are being phased out.
- Staff Recommendation: High Priority. An EUC labeling scheme may be helpful.





# Products and Services

## Save Water

- Extreme drought has made water conservation a state priority.
- Consideration: Governor's office asked EUC to prioritize water saving messaging.
- In 2015, Californian urban customers reduced water consumption by 20%.
- While water supply has improved in the last year, important to keep up water conservation messaging.
- Staff recommendation: High priority.



# Products and Services

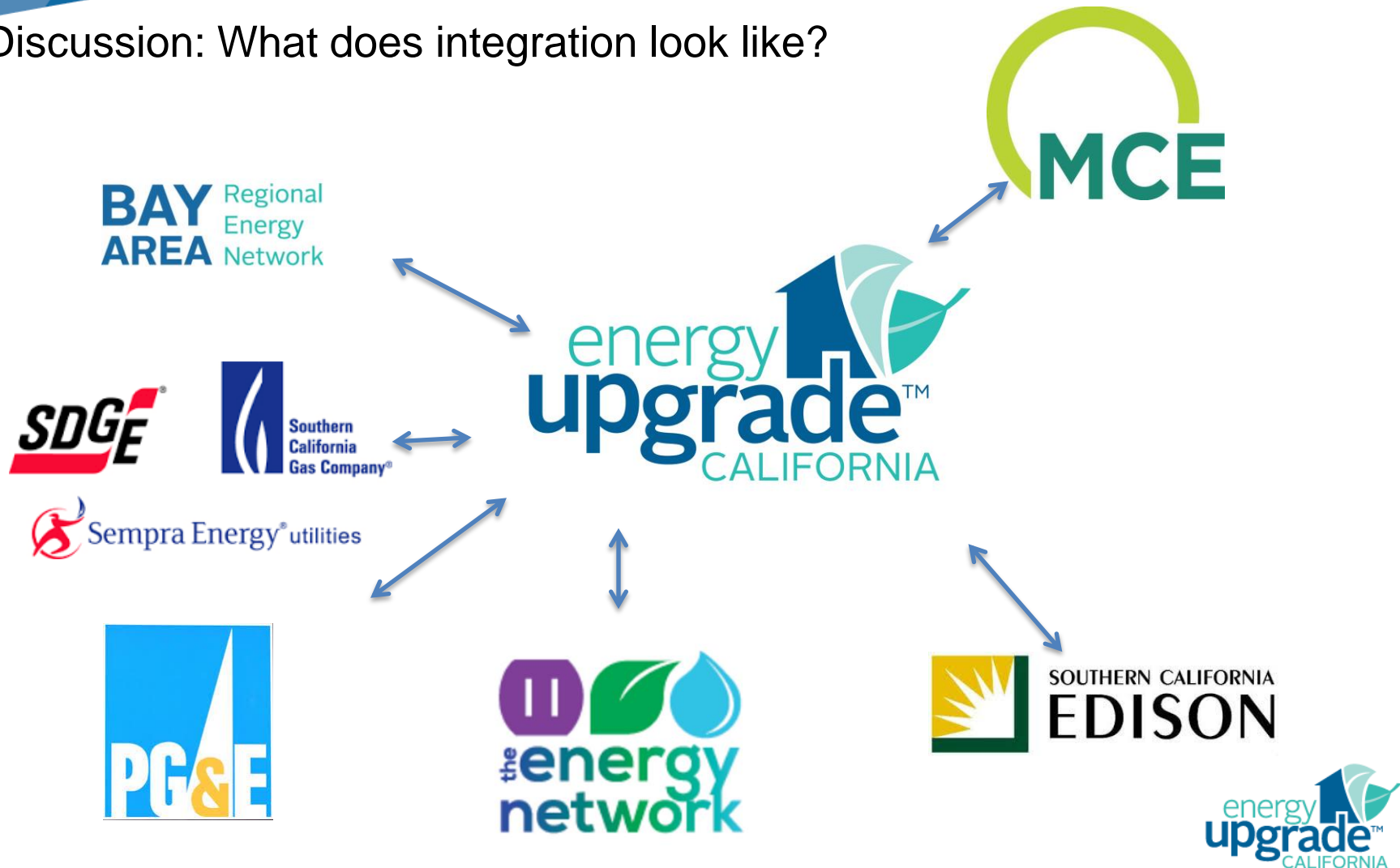
## Other programs:

- Distributed generation/rooftop solar
- AC Cycling program
- Energy Savings Assistance Program
- CA Alternative Rates for Energy
- HVAC
- Appliances
- Home energy reports/Energy Adviser
- Multi-family programs
- Home Upgrades
- Zero Net Energy




# Integration discussion


Discussion: What does integration look like?







# Integration Discussion

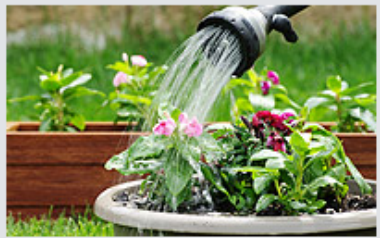


## Energy Advisor



JULY 2014


SHARE    



### Simple ways to save water

The hot, dry summer weather makes water conservation even more important this time of year. Check out more than 100 easy water-saving tips for every area of your home!


Get tips



### Make your backyard barbecues more environmentally friendly

There's no question that summer cookouts are full of good food and great company. But have you ever questioned how outdoor grilling affects the environment? Find out how you can easily practice sustainable grilling.

Grill green

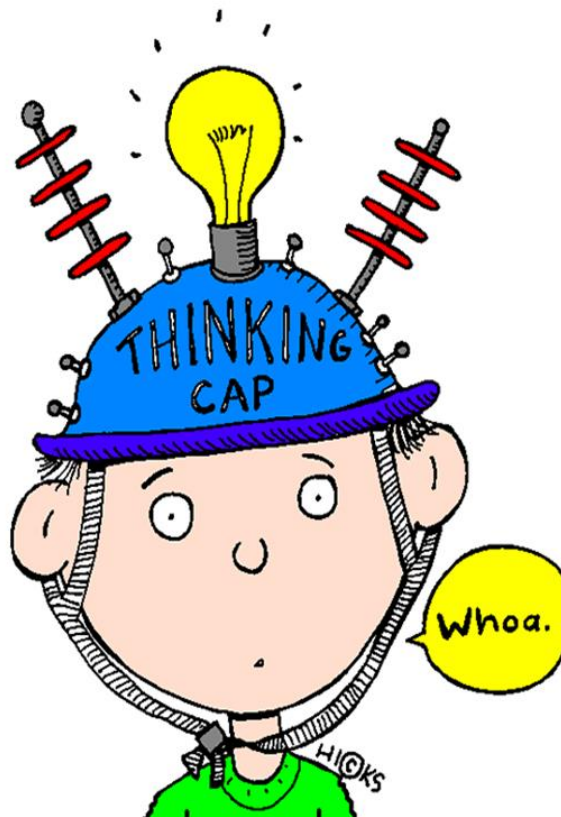


### Take the whole-home approach for maximum energy savings

Instead of making a few improvements here and there to boost your home's energy efficiency, Energy Upgrade

# Integration

## Brainstorm: How to Integrate?



# Products and Services



# Afternoon Agenda

## **1.45 -2:45: Governance**

- Opinion Dynamics - Evaluation results regarding governance – 10 min
- CPUC's internal communications and decision-making – 10 min
- External Statewide ME&O governance structure – 10 min
- Discussion regarding governance – 30 min

## **3:00-4.15: Objectives and Metrics**

- Opinion Dynamics – Evaluation results regarding metric development – 15 min
- CPUC – Previous objectives, metrics & recommended revisions – 15 min
- Brainstorm on objectives -30 min
- Brainstorm on metrics – 25 min

## **4.15-4.30**

- Next steps and close – 15 min



# ME&O Governance

## Illustrative ME&O Internal Governance

	Energy	Executive
<b>Planning (5 year marketing plan; 1 year communication plans)</b>	Lead and approve (must process Advice Letters)	Guidance and approve
<b>Creative Briefs</b>	Guidance	Lead and approve
<b>Collateral/ads</b>	Guidance	Lead and approve
<b>Press Releases</b>	Input	Lead and approve
<b>Website content</b>	Lead and approve	Guidance and approve
<b>Outreach</b>	Informed	Lead and approve
<b>Research</b>	Informed	Lead and approve
<b>External Coordination</b>	Guidance	Lead
<b>Internal Coordination</b>	Lead	Guidance
<b>Regulatory</b>	Lead and approve	Guidance and approve
<b>Evaluation</b>	Lead and approve	Guidance
<b>Agency Liaison</b>	Guidance	Lead
<b>Invoices</b>	Input	Lead and approve
<b>Energy Programs Liaison</b>	Lead	Input



# ME&O Governance

## Illustrative ME&O Internal Governance

Alignment and Coordination Team (Meets every 2 weeks)	
<p>Subject Matter Experts from:</p> <ul style="list-style-type: none"><li>• Metered Energy Efficiency Section</li><li>• News and Outreach Office</li><li>• Residential EE Section</li><li>• Policy and Planning Division</li><li>• Rates Section</li><li>• Others?</li></ul>	<p><b>Mission:</b> To ensure that proceedings across ED are designed and integrated with customer experience in mind</p>

# ME&O Governance

## Illustrative ME&O Internal Governance

### Customer Experience Leadership Team (Meets every quarter)

- DDB  
Upper management from...
- Executive Division
- Assigned Commissioner's office (Peterman) Commissioner Picker's office
- CPUC's President's office (Picker)
- Energy Division
- ALJ Division

Mission: To ensure that the SW campaign meets the goals and vision of the MEO Roadmap and that IOU and SW MEO activities are aligned and synched for customer experience. Provides high level direction to DDB.

# ME&O External Governance

## D.16-03-029 (highlights):

- CPUC, in consultation with CEC, has overriding authority on all decisions
- DDB has program design, coordination, and implementation responsibility for strategies, objectives, and metrics.
- 5 Year ME&O Roadmap will outline long-term goals, metrics, and strategies
- Annual Joint Consumer Action Plans
- DDB responsible for most objectives

# ME&O Governance

## D.16-03-029 (highlights):

- IOUs, RENs, and CCAs responsible for providing DDB with timeline information and data regarding their marketing programs, including marketing plans
- CPUC responsible for reviewing materials
- Any budget change of \$250K or more requires consultation with, and approval by, utilities and Commission staff
- IOUs shall provide aggregated and anonymous customer data requested by DDB.
- DDB shall convene a stakeholder group no less than once per quarter.
- DDB will provide brand guidelines, and ensure proper use of the brand.
- DDB will be a participant in Home Upgrade program coordination.

# 15 minute break



# Objectives and Metrics

## Current Program Objectives

1. Use EUC to educate consumers about Home Upgrade program, why energy use matters, how CA homes and businesses use energy, and EE, DR, DG and energy management actions available to them.
2. Encourage consumers to engage with resources and tools to learn more about their energy use
3. Inform consumers about benefits of participating in local program opportunities, seasonal opportunities, and no or low cost actions
4. Provide direction about how consumers can learn more about and enroll in local program opportunities



# Objectives and Metrics

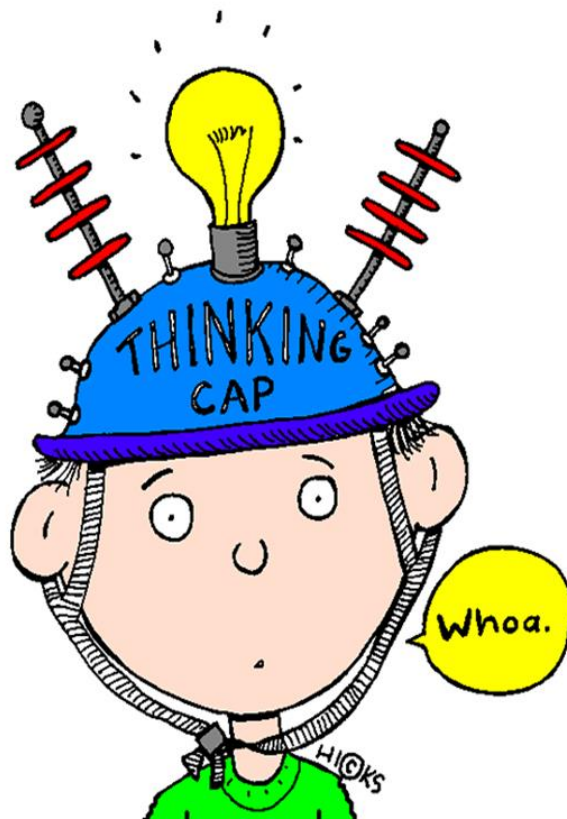
## Current Program Objectives

5. Identify and pilot messaging and message delivery for partners that complements existing utility partnerships, including local governments, CBOs, retailers and realtors
6. Identify and pilot methods to provide info to small business owners
7. Use behavior research to develop a social marketing campaign
8. Coordinate local, regional and statewide marketing efforts, messaging, and tactics.
9. Develop an EM&V roadmap



# Objectives and Metrics

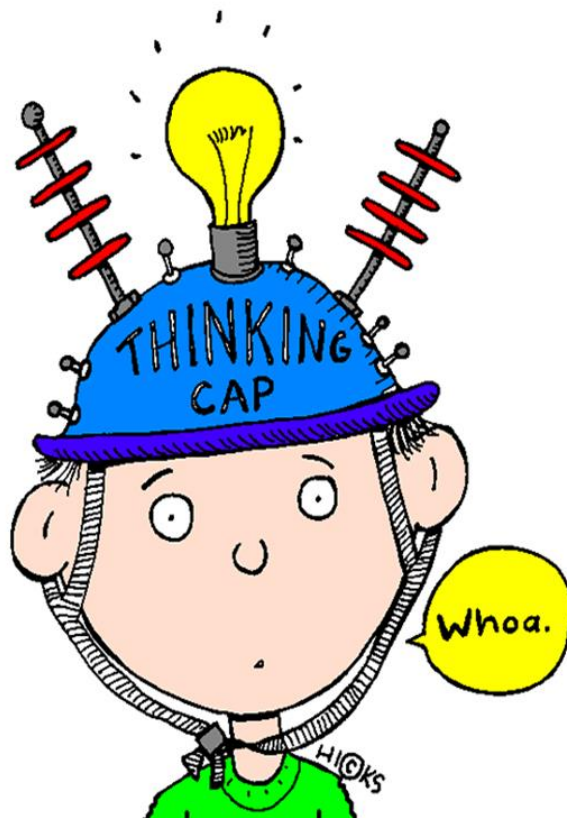
## Brainstorm: New Objectives





# Objectives and Metrics

## Brainstorm: New Metrics



# Workshop Schedule

Today

- Strategies, Objectives and Metrics for Energy Upgrade California

Jan. 12,  
2017

- Workshop on 5 Year ME&O Strategic Roadmap

Feb. 8,  
2017

- Workshop on 1 year Joint Consumer Action Plan

Feb. 28,  
2017

- 5 year and 1 year plans due to CPUC via advice letter

Apr. 21,  
2017

- Re-launch of Energy Upgrade California

# Thank you!

Cross cutting evaluation is available at  
[www.cpuc.ca.gov/statewidemeo](http://www.cpuc.ca.gov/statewidemeo)

Contact Rory Cox at [rory.cox@cpuc.ca.gov](mailto:rory.cox@cpuc.ca.gov) or  
415-703-1093.